

Vancouver Sun

It takes \$19.14 an hour - from both parents - to raise a family

Fri Apr 27 2012

Page: A11

Section: Issues & Ideas

Byline: Michael McCarthy Flynn

Source: Vancouver Sun

For families with young children, the costs of basic necessities like food, rent and child care quickly add up. Even with full-time work year round, both parents in a family of four must earn at least \$19.14 an hour to escape severe financial stress in Metro Vancouver.

This is the Metro Vancouver living wage rate for 2012, according to a new report released by the Canadian Centre for Policy Alternatives, First Call: B.C. Child and Youth Advocacy Coalition, and the Metro Vancouver Living Wage for Families Campaign.

The living wage is the hourly rate at which a family with two full-time earners and two young children can meet its basic needs, once government taxes, credits, deductions and subsidies have been taken into account. It is enough to lift families out of poverty and provide a basic level of economic security, but it's based on a bare-bones budget without the extras that many of us take for granted.

It is estimated that at least 25 per cent of families with children in the Lower Mainland earn less than a living wage. The large disparity between low wages and the actual costs of raising a family bring into focus a number of key policy debates in Metro Vancouver; the high levels of child poverty, housing and child care afford-ability, and rising inequality.

Since the recession hit, support for job creation has become one of the key policy considerations for the provincial government. Jobs have been touted as the answer to all our social problems.

However, as CIBC economist Benjamin Tal has recently noted, many of the jobs recovered since the recession have been concentrated in low-paying sectors. Tal has also pointed out that there's clearly a movement from high-paying professionals, public sector and construction jobs to low-paying service and retail. This is a hugely significant shift. As the living wage calculation demonstrates, many of these new jobs don't pay enough for a family to escape poverty.

This is an unsustainable situation and it negatively affects all of us.

The good news is that some policy and business leaders are waking up to these facts. This summer's London Olympics will be the first living-wage Olympics, with all 135,000 workers being paid the London living wage.

In Metro Vancouver, a growing number of leading corporate and non-profit employers have seen the benefits of paying living wages. Twenty-six organizations in Metro Vancouver, employing over 5,000 workers and covering many thousands more

contracted ser-vice workers, have committed to pay all their direct staff and contracted staff, including janitorial, security and cleaning staff, a living wage.

Michael McCarthy Flynn is the campaign organizer with Metro Vancouver Living Wage for Families campaign.

These include SAP-Vancouver (the world's largest inter-enterprise soft-ware company), Vancity (Canada's largest credit union), the Canadian Cancer Society-B.C. and Yukon Division, the United Way of the Lower Mainland and Small Business B.C.'s Best Employer in 2012, Eclipse Awards.

But employers alone can't solve all the problems of poverty and social exclusion. Policy-makers can make a big difference because public policy plays a key role in enhancing affordability. For example, this year's Metro Vancouver living wage calculation saw the transportation expenses for the model family fall by \$28 monthly due to the introduction of the universal U-Pass for students. When public services are made more affordable, the living wage rate is moderated, easing the role of employers in ensuring that families can meet their core budgetary needs.

But a lot more policy changes are needed to make economic security a reality for all British Columbia families. The highest-cost items, such as shelter and child care fees, should be tackled first. Publicly funded child care, such as the Community Plan proposed by the Coalition of Child Care Advocates of B.C. and the Early Childhood Educators of B.C., would see fees capped at \$10 a day for full-time programs and \$7 a day for part-time programs. This would reduce the Metro Vancouver living wage by \$3.22 per hour to \$15.92, bringing it within reach of a lot more employers. Now that's something we could all benefit from.